



UNICORN MODEL
COMPONENTS

MANIPULATION **ELEMENT**

*"WE ARE OBSERVING MANIPULATION
AND POSITIONING OURSELVES FOR
DISTRIBUTION" - ICT*



*A COMPREHENSIVE EXPLANATION ON
HOW TO SPOT **MANIPULATION** AND
TAKE IT AT OUR ADVANTAGE*

PLAY\$IT

MADE BY @JUNOTRADING



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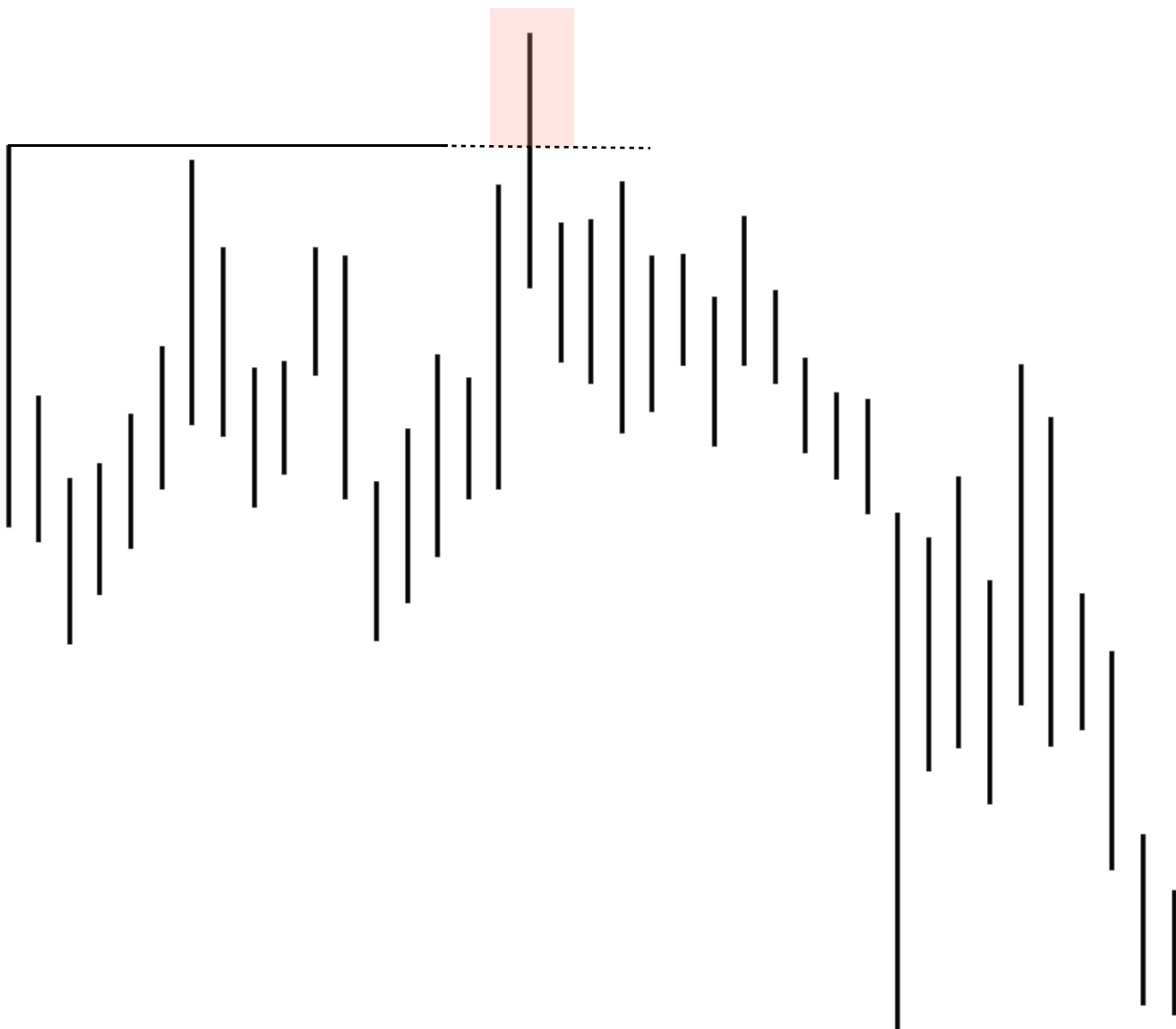
ACCUMULATION - MANIPULATION - DISTRIBUTION (AMD)

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MANIPULATION AT OPEN TIME & LIQUIDITY

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EXAMPLES





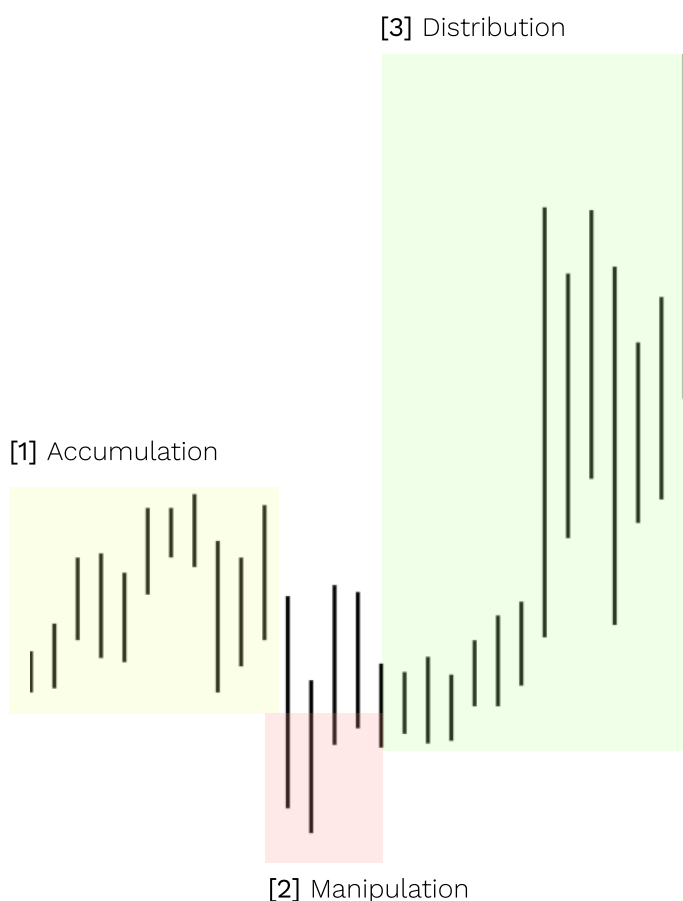
01

ACCUMULATION - MANIPULATION - DISTRIBUTION (AMD/PO3)

Understanding the three phases of price—accumulation, manipulation, and distribution—provides context for the concept of manipulation in the unicorn entry model.

- [1] Accumulation; Prices range and liquidity builds up.
- [2] Manipulation; Liquidity manufactured in the accumulation phase is targeted.
- [3] Distribution; Price moves in the opposite direction after taking liquidity.

By focusing on the second phase, manipulation, we position ourselves for the subsequent distribution phase.



We are observing manipulation, and positioning ourselves for distribution.

— ICT



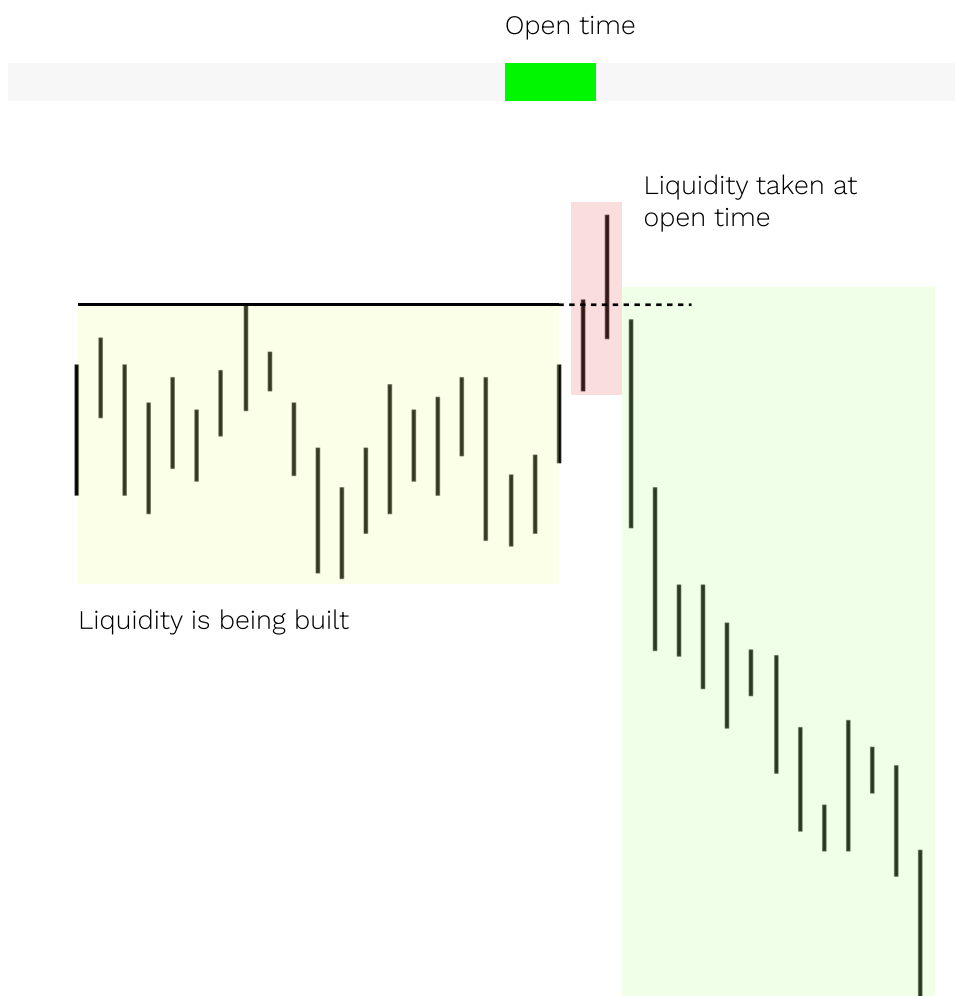
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MANIPULATION AT OPEN TIMES & LIQUIDITY

Manipulation can happen into any PD array; for example, price could manipulate into a price imbalance, like a Fair Value Gap, but for our model, **it's important that price manipulates into taking liquidity.**

Sometimes we will see **price manufacturing liquidity on purpose**, in order to trick traders into positioning themselves before open time, to then **take this liquidity at open**, and **start the distribution phase**.

So our main focus will be on spotting this piece of manipulation, **taking liquidity in/ around/after open session time.**





EXAMPLES



NQ LONG - 30.01.2024 - <https://www.tradingview.com/x/IQuYFPGf/>



CL LONG - 17.01.2024 - <https://www.tradingview.com/x/svNPYiX0/>



UNICORN MODEL
COMPONENTS

SMOOTH EDGES

*"SMOOTH EDGES ARE MEANT TO BE
MADE JAGGED" - ICT*



A COMPREHENSIVE EXPLANATION ON
SMOOTH EDGES AS A CHOICE OF DRAW
ON LIQUIDITY

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WHAT ARE SMOOTH EDGES?

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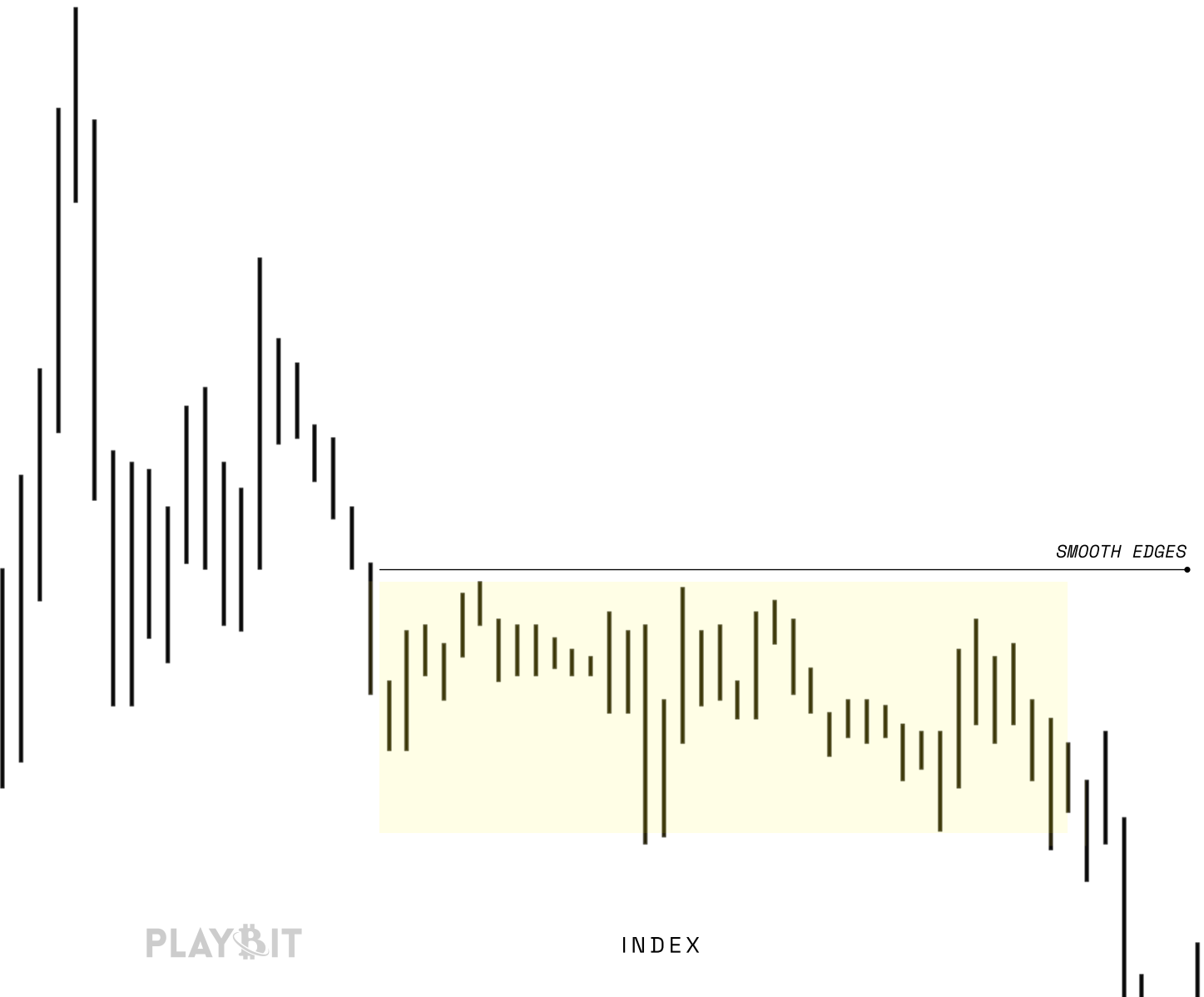
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HOW TO CORRECTLY SPOT SMOOTH EDGES

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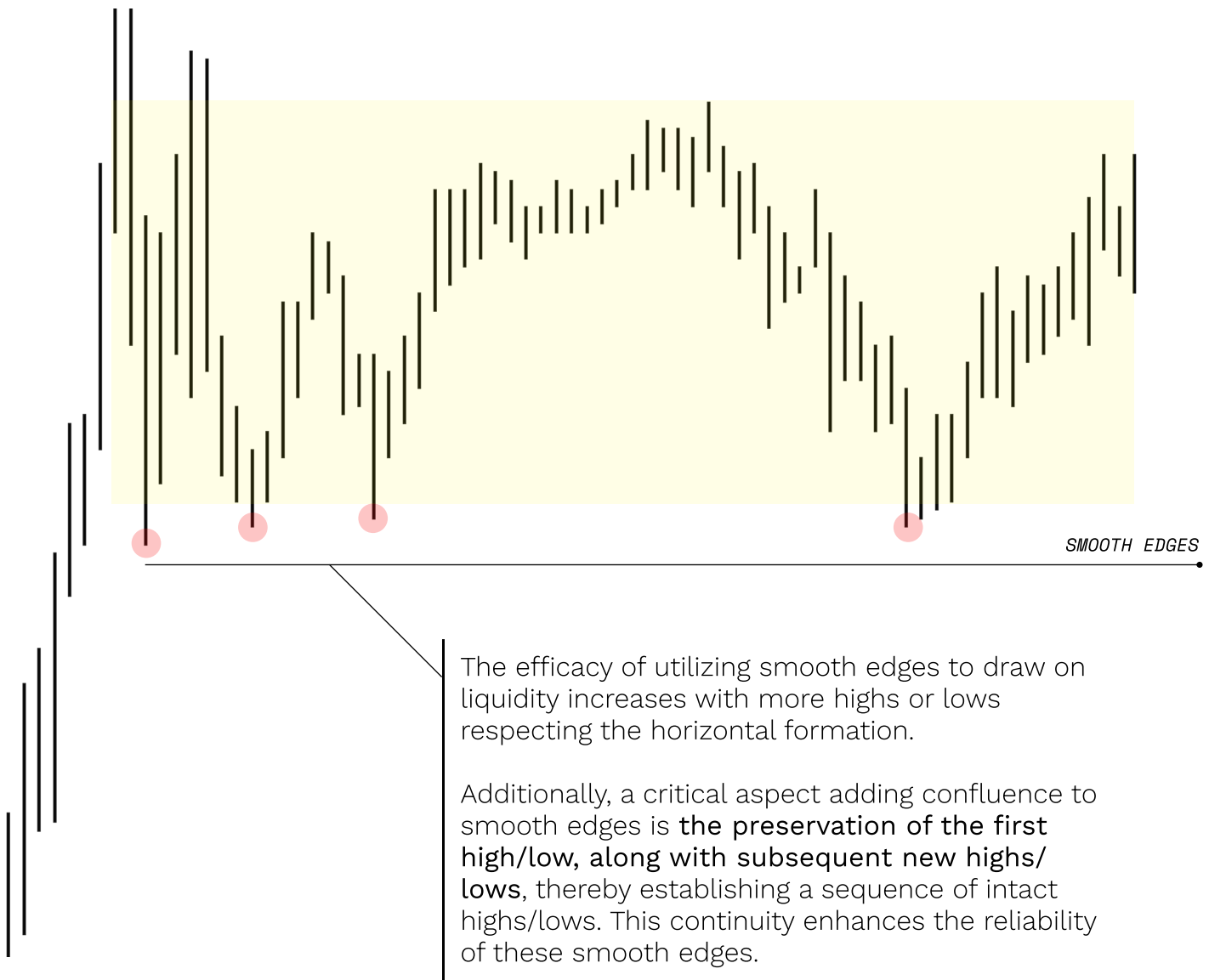
EXAMPLES





WHAT ARE SMOOTH EDGES?

Smooth edges are formed by a series of relatively equal highs or lows, resulting in a horizontal and uniform formation. This configuration resembles an edge, hence the name "smooth edges." The objective is to achieve a consistent pattern of highs and lows, which contributes to the formation's smoothness and distinctiveness.





SMOOTH EDGES AS DRAW ON LIQUIDITY

The concept of smooth edges revolves around liquidity. Retail traders often interpret this type of price action as a signal, identifying a small zone above or below the highs/lows of these smooth edges where they perceive safety.

They trust this horizontal barrier as a potential area of support or resistance. Based on this principle, **there is a predisposition for price to revisit these highs/lows** to access the liquidity resting in those zones.

Retail safe room = Liquidity

SMOOTH EDGES



If it looks smooth, you can bet your ass we are running through that.

— ICT



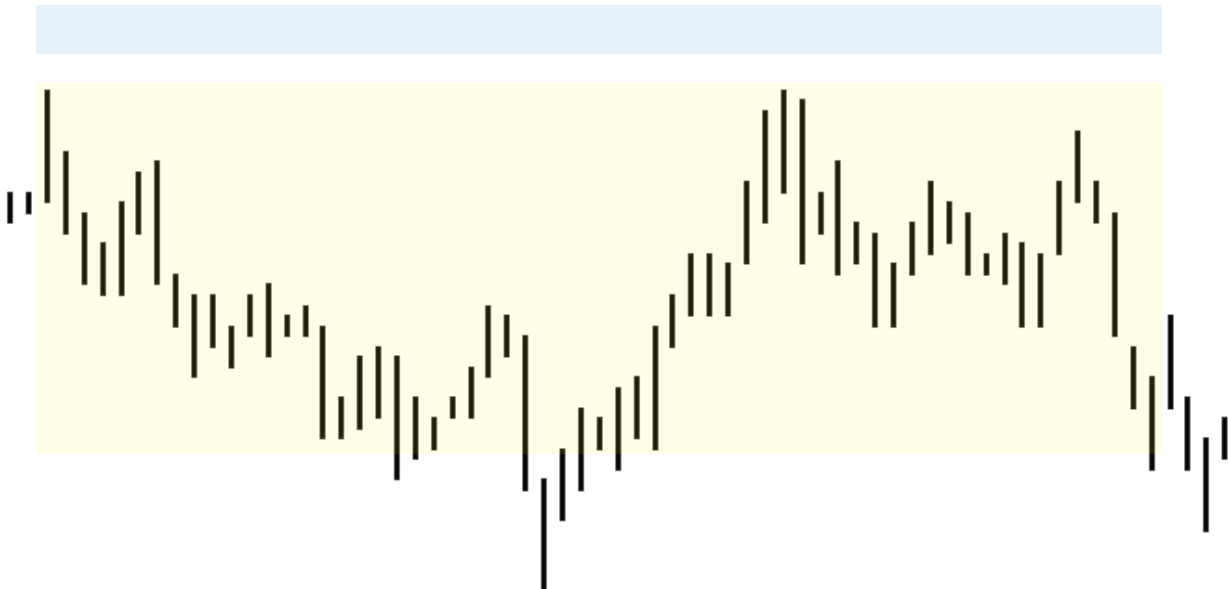
HOW TO CORRECTLY SPOT SMOOTH EDGES

Smooth edges are **typically formed during consolidation phases**, often associated with the original consolidations of an MMXM model.

One efficient method to identify them is by observing the Asia range, particularly during the Asia session, price tend to consolidate and create these smooth edges.

The most favorable smooth edges are those easily recognizable at a glance, requiring minimal thought to perceive. **If you can't see it right away, it's probably not there.**

20:00 ————— Asia range ————— 00:00





04

EXAMPLES



ES - 09.01.2024 - SMOOTH EDGES SPOTTED WITHIN THE ASIA RANGE

<https://www.tradingview.com/x/yhlbSOey/>



NQ - 16.01.2024 - SMOOTH EDGES SPOTTED WITHIN LONDON SESSION

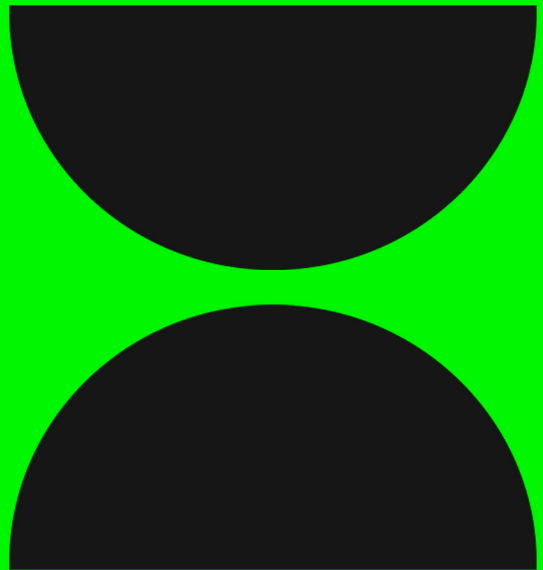
<https://www.tradingview.com/x/oKqWSxb8/>



UNICORN MODEL
COMPONENTS

TIME ELEMENT

*"EVERY TRADE IS A CO-RELATION
BETWEEN TIME AND PRICE"*



*A COMPREHENSIVE EXPLANATION ON
THE CO-RELATION BETWEEN **TIME**
AND PRICE*

PLAY\$IT

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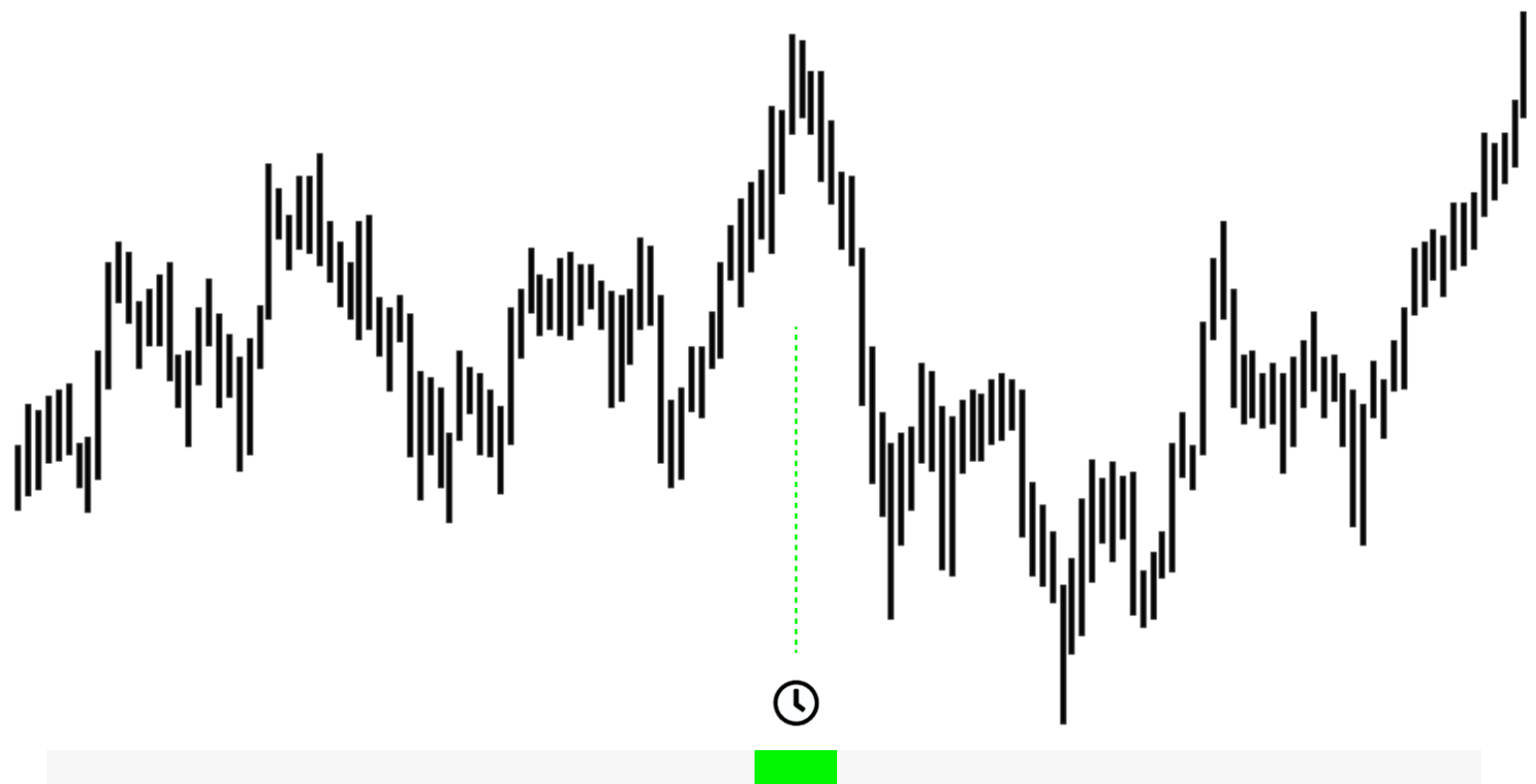
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SESSION OPEN TIMES

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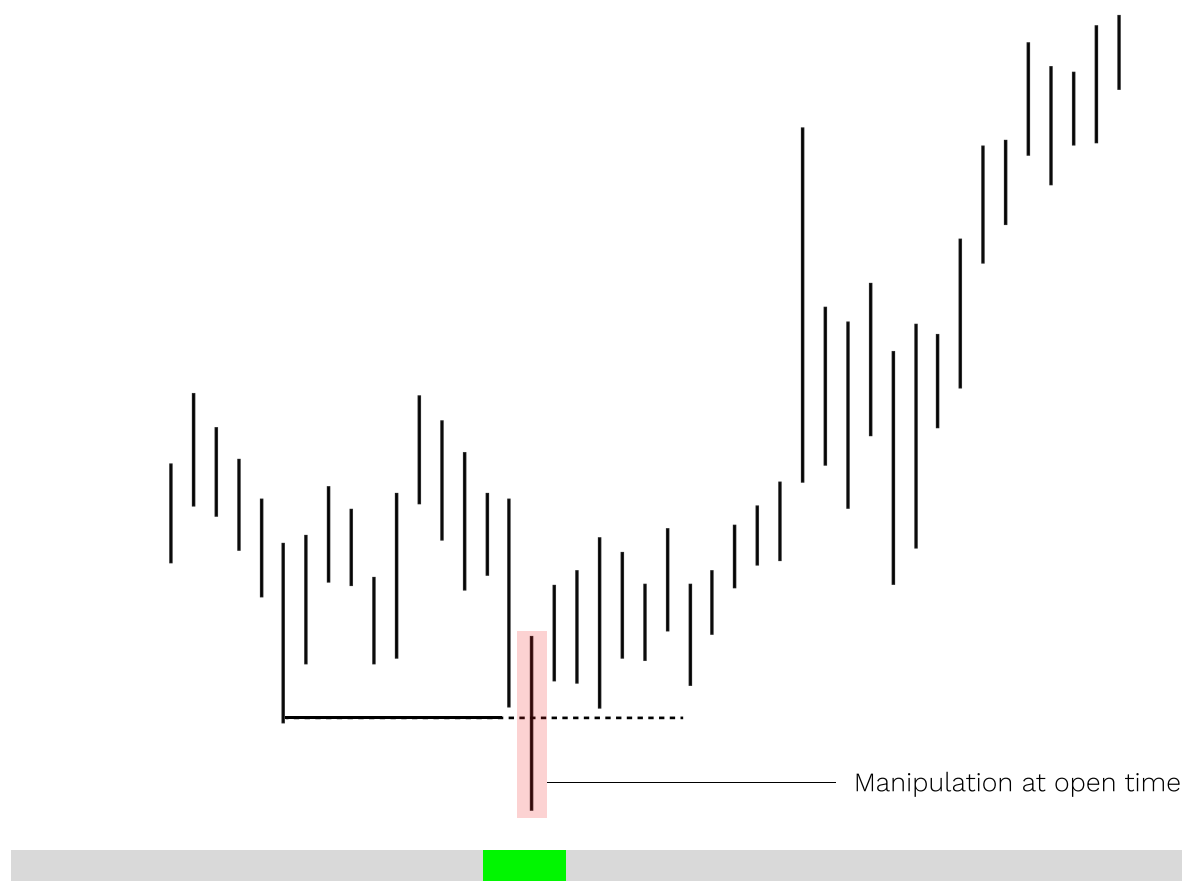
IMPORTANCE OF TIME

Time is a crucial but often underestimated element in trading. In the fast-moving realm of financial markets, timing can determine whether a trade yields profit or loss. Recognizing the significance of time empowers us to make informed choices and optimize our earnings.

While Unicorns, as an entry function, can emerge outside our parameters, under any timeframe and pair, success is uncertain. But **when timing aligns, trade quality improves significantly.**

Time may sound too broad for a component in a model, but for the unicorn model, **we will focus on session open times**, where usually price tends to manipulate and suffer volatility injection.

At session open times, we would want to look for a price move into the opposite direction of our draw, taking liquidity, called manipulation.



9:30 AM

n2

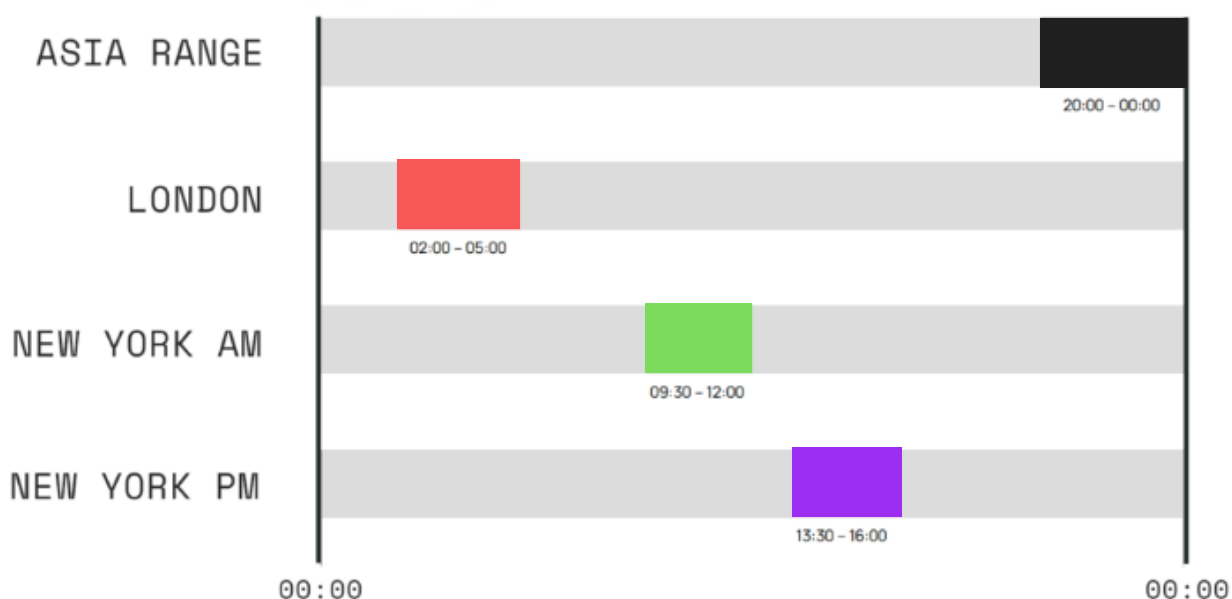
SESSION OPEN TIMES

As we stated on the first point, time is a broad element, but **we will focus on session open times**, in a search for manipulation at/around/after session open time.

At the open session time, usually an injection of liquidity occurs on the market. It's also said that algorithms are also activated, seeking to take out liquidity in one direction, in order to then run to the opposite side of the market taking liquidity.

We will go in depth on manipulation as an individual concept for the model later on.

SESSION TIMES



Usually the Asia range is a low-volatility session, hence the range word in its name. So our main focus would be on London, New York AM and New York PM.

“

The Unicorn, one of the strongest algorithmic entry positions ever...**especially after you have taken out liquidity on opening price.**

— ICT



EXAMPLES



NQ LONG - 30.01.2024 - <https://www.tradingview.com/x/lQuYFPGf/>



CL LONG - 17.01.2024 - <https://www.tradingview.com/x/svNPYiX0/>



UNICORN MODEL
COMPONENTS

UNICORN ENTRY FUNCTION

*"THE STRONGEST ALGORITHMIC ENTRY
PATTERN YOU CAN EVER HAVE" - ICT*



*A COMPREHENSIVE EXPLANATION ON
THE UNICORN AS OUR ENTRY
FUNCTION*

PLAY\$IT

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THE UNICORN ENTRY FUNCTION

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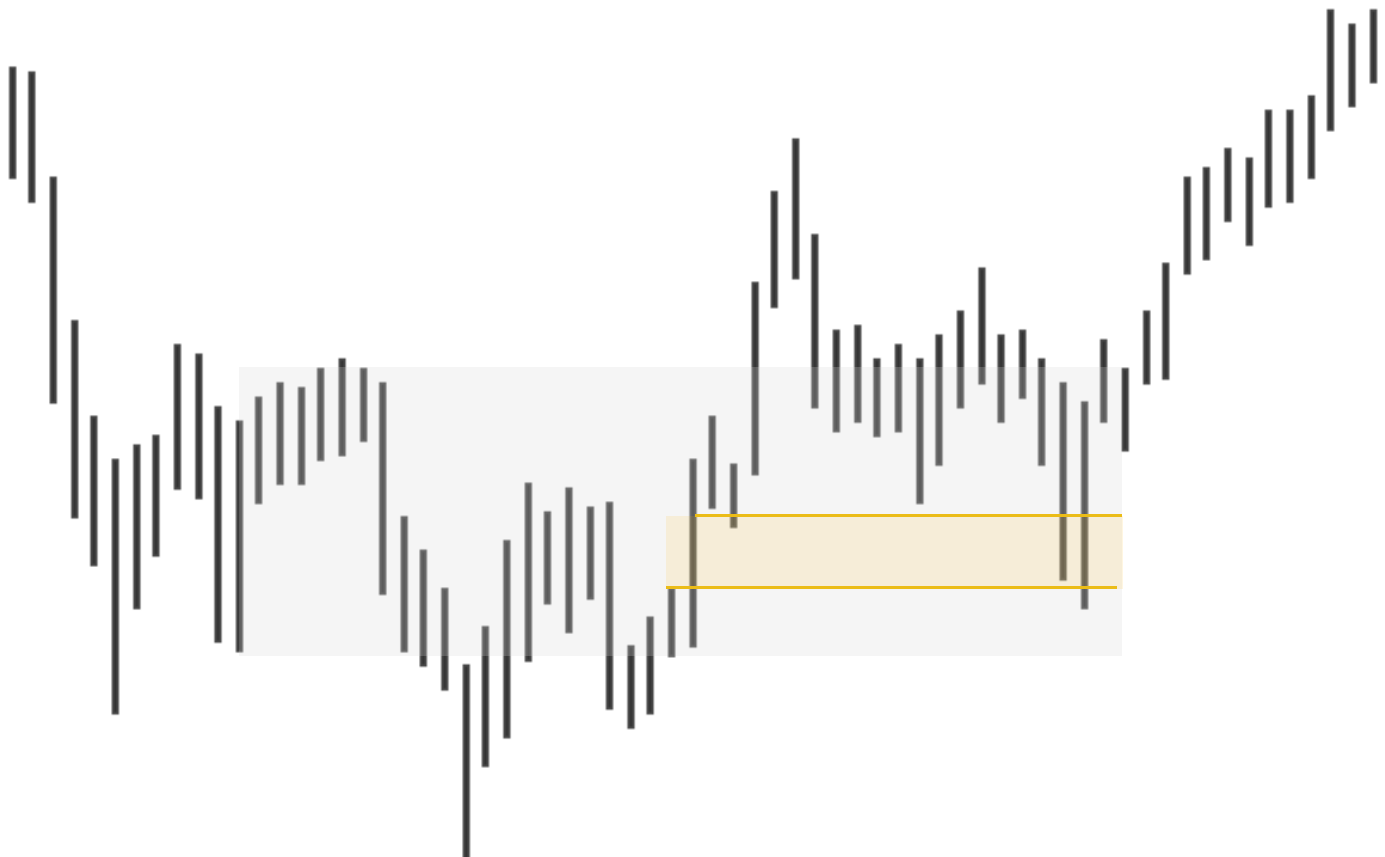
THE BREAKER + FAIR VALUE GAP

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ENTRY & STOP LOSS PLACEMENT

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EXAMPLES



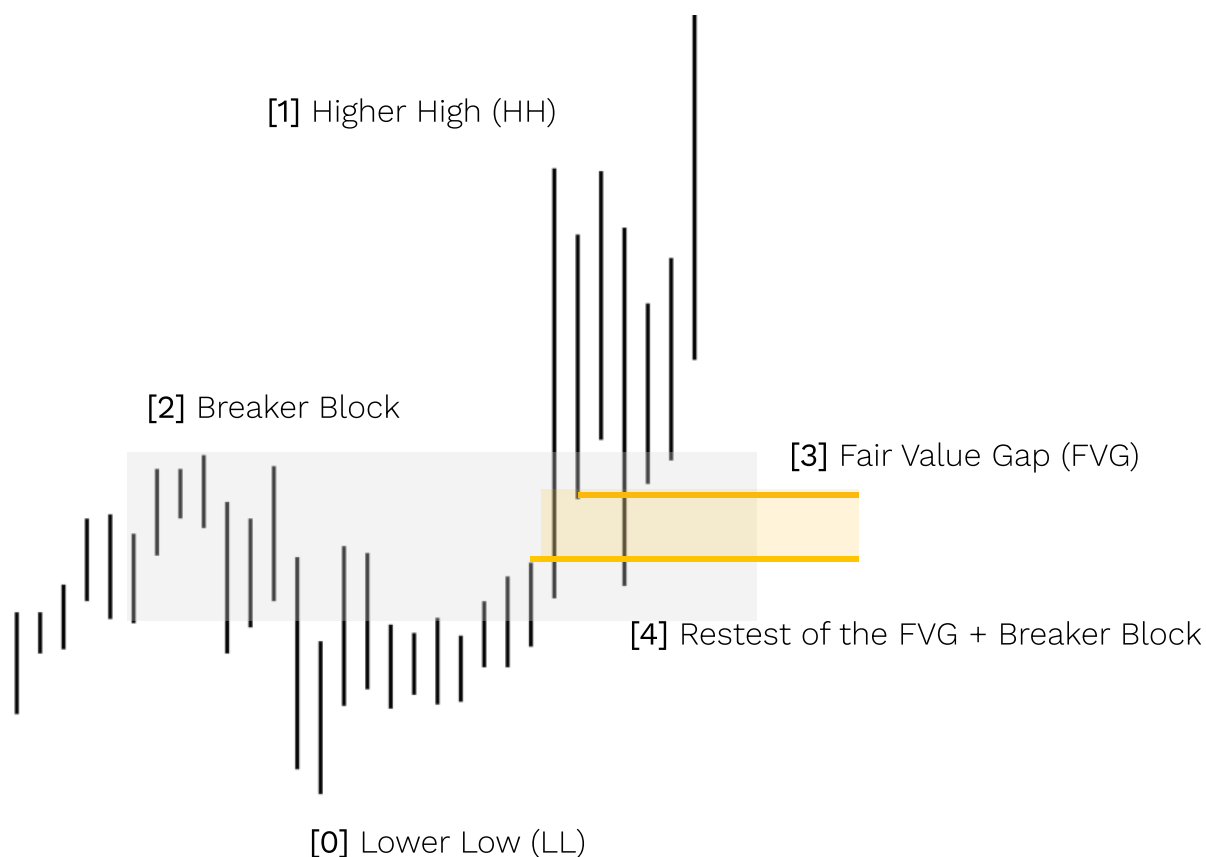


THE UNICORN ENTRY FUNCTION

The Unicorn is an entry function/pattern popularized by ICT within the 2022 mentorship. While this function can be used as a standalone trading pattern, it is generally advised to incorporate additional variables, enhancing its effectiveness. By creating a comprehensive model that includes the Unicorn function, traders can optimize their strategies beyond the basic pattern.

The unicorn pattern consists of:

- [0] A Lower Low (LL),
- [1] A Higher High (HH)
- [2] A Breaker Block
- [3] A Fair Value Gap (FVG), overlapping the established Breaker Block
- [4] A successful re-test of the FVG + Breaker that will serve us as an entry





THE BREAKER + FAIR VALUE GAP

WHAT IS A BREAKER?

A "breaker block" occurs when price breaks above or below an order block, indicating a shift in market direction and potentially signaling a bearish or bullish trend.

WHAT IS A FAIR VALUE GAP?

A "Fair value gap" occurs when there are inefficiencies or imbalances in the market, or when the buying and selling are not equal. Fair value gaps can become a magnet for the price before continuing in the same direction.

THE BREAKER + FAIR VALUE GAP

The merger of the previously mentioned elements serves as the foundation for our entry strategy within this function. Our goal is to harness the market's sentiment, be it bullish or bearish, as indicated by the alignment of these components. This strategic integration enables us to effectively interpret and act upon the market trends and signals revealed through this unified approach.

DISPLACEMENT

Displacement refers to a significant and forceful movement in price action, characterized by intense buying or selling pressure. To ascertain the likelihood of the price continuing in our preferred direction, we focus on identifying displacement through our breaker block. This approach helps us gauge the market's momentum and confirm its potential course.



The Unicorn, one of the strongest algorithmic entry positions ever, especially after you have taken out liquidity on opening price.

— ICT



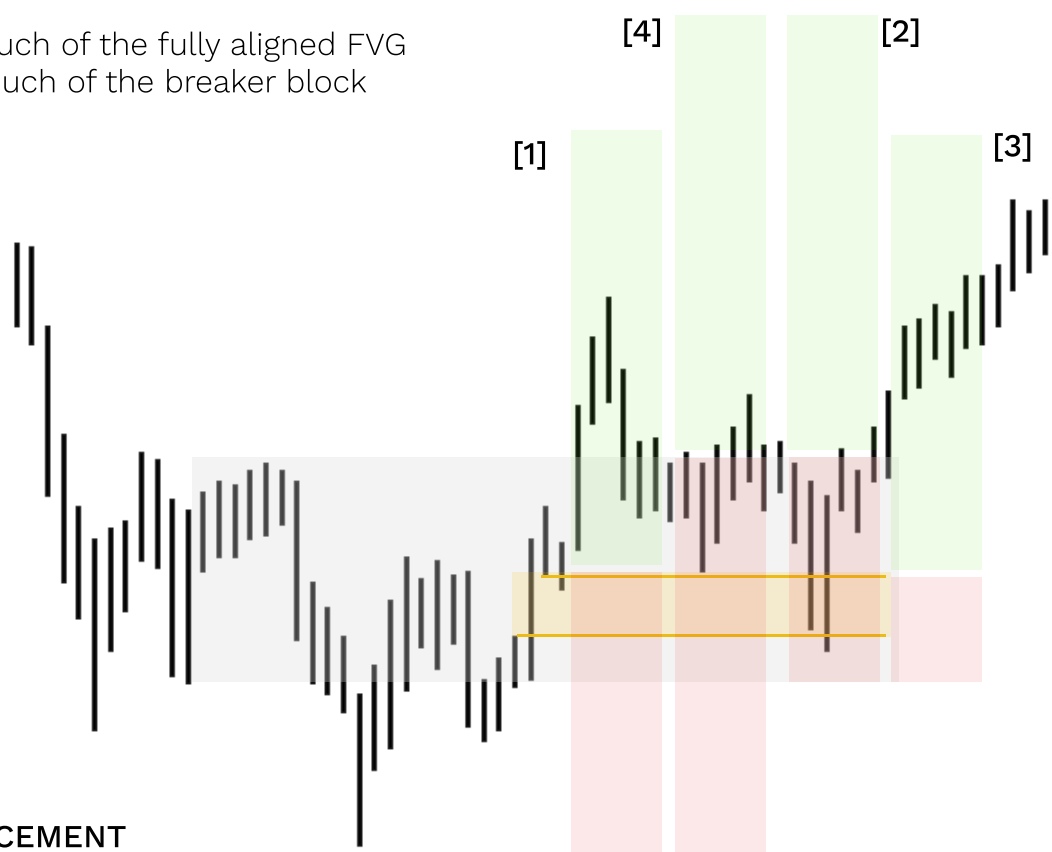
ENTRY & STOP LOSS PLACEMENT

Executing this entry function and setting **stop-loss orders** can be approached in various **ways**. While some traders consistently use the same method for entry and stop-loss placement, regardless of the market's behavior or structure, a more adaptive approach could be beneficial.

ENTRY

In employing the Unicorn trading strategy, selecting the right entry point is key to maximizing potential success. There are two primary methods that are often recommended:

- [1] Entry at the touch of the fully aligned FVG
- [2] Entry at the touch of the breaker block



STOP LOSS PLACEMENT

When it comes to stop loss placement, in my opinion, there are two main options. One would be to set it under the breaker, as this would be the invalidation point of our entry function. But prices can always wick out, but close above, so that is where option two comes into place, where our SL would be placed below the lower low, as a safer option.

- [3] SL below the breaker
- [4] SL below the LL

04

EXAMPLES



NQ LONG - 30.01.2024 - <https://www.tradingview.com/x/IQuYFPGf/>



CL LONG - 17.01.2024 - <https://www.tradingview.com/x/svNPyiX0/>

UNICORN ENTRY MODEL

MADE BY
@junotrading

DATA COLLECTION

DATA SERIES 001

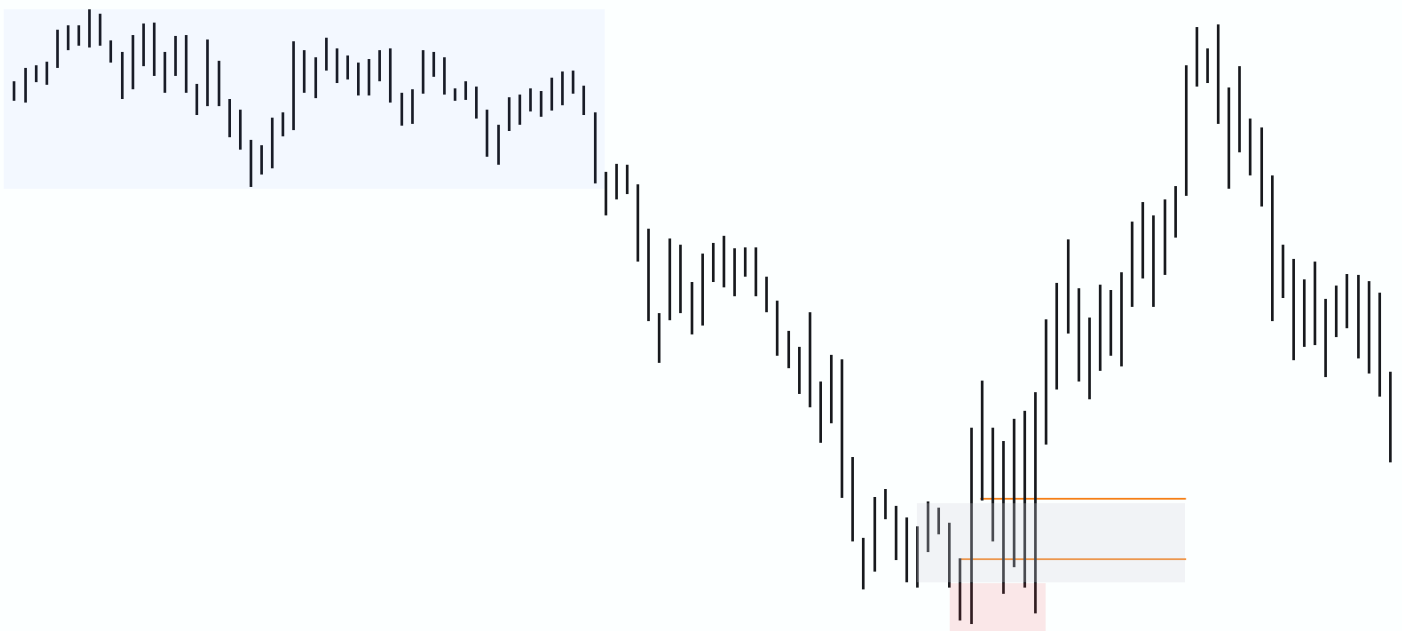


INTRODUCTION

This document serves the purpose of compiling a selection of trade examples that were observed and analyzed during the month of January 2024. It is essential to clarify that these examples, while showcasing the model's trading capabilities, do not represent an exhaustive account of all potential opportunities encountered by the model throughout the month. The intent is to offer a snapshot of the model's performance and its adaptability across various currency pairs, timeframes, and trading sessions.

Within this document, we will explore specific trade scenarios, shedding light on the model's decision-making processes, and overall effectiveness in responding to diverse market conditions. While January provides a focal point for this compilation, it's crucial to acknowledge that the model's trading activities are ongoing, making this document valuable for historical analysis and continuous performance assessment.

Whether you are interested in historical insights or assessing the model's real-time capabilities, this compilation of trade examples from January offers a balanced perspective on the model's performance.



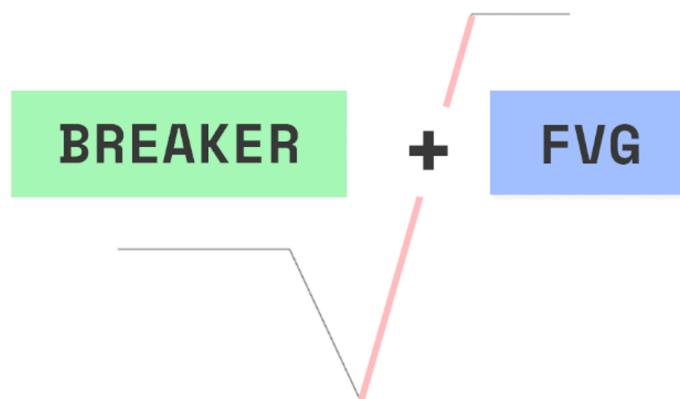
THE MODEL SIMPLIFIED

The model itself is deliberately simple, with a primary focus on a few critical variables.

First and foremost is our draw, which, in my opinion, stands as the most crucial factor for the success of a trade idea. Having a clear understanding of where the price is most likely to go is paramount because it significantly simplifies the entire trading process. In my view, 'Smooth Edges' are the most effective means to determine the likely direction of price movement in the hunt for liquidity.

The second key variable is time. We utilize session open times to identify potential manipulation moves that may run counter to our draw. Ideally, we aim to observe price movement in the opposite direction, either at or slightly after the market's opening. This setup allows us to anticipate and position ourselves for a subsequent move in the direction we desire.

The third component revolves around our entry strategy, which, in this case, is the unicorn. This entry function essentially consists of a breaker aligned with a fair value gap. While this component is important, it holds a relatively lower priority for me. Missing this particular entry opportunity is not a significant concern since I have confidence that the price will eventually align with our draw. In such cases, we can always seek alternative entry points to position ourselves as price progresses towards our draw.



DATA INDEX

ID	TRADE + TV LINK	SESSION	OUTCOME	PAGE
001	<u>NQ LONG - 04.01.2024</u>	NY AM	WIN	PAGE 4
002	<u>NQ LONG - 05.01.2024</u>	LONDON	LOSS	PAGE 5
003	<u>ES LONG - 05.01.2024</u>	NY AM	WIN	PAGE 6
004	<u>ES LONG - 09.01.2024</u>	NY AM	WIN	PAGE 7
005	<u>NQ LONG - 16.01.2024</u>	NY AM	WIN	PAGE 8
006	<u>CL LONG - 17.01.2024</u>	NY AM	WIN	PAGE 9
007	<u>CL LONG - 19.01.2024</u>	NY AM	WIN	PAGE 10
008	<u>NQ LONG - 30.01.2024</u>	NY AM	WIN	PAGE 11

DATE	04/01/2024
PAIR	NQ
SESSION	NEW YORK AM
COMPONENTS	<p>[1] SMOOTH EDGES [LONDON HIGH]</p> <p>[2] LIQUIDITY TAKEN AT OPEN [9:30 MARKET OPEN]</p> <p>[3] BREAKER + DISPLACEMENT + FVG</p>

The first thing we could spot pre-NY session is that the London session left **[1] Smooth Edges [London High] intact**. A session range with smooth edges usually works best for our draw on liquidity.

What we will observe over time is that the price really wants to go there and try to break those equal highs in the consolidation range.

At 9:30, the market opened, and the **[2] price moved in the opposite direction** to our draw on liquidity. After, our entry function components showed up, **[3] Breaker + Displacement + fair value gap**, providing us with an entry.

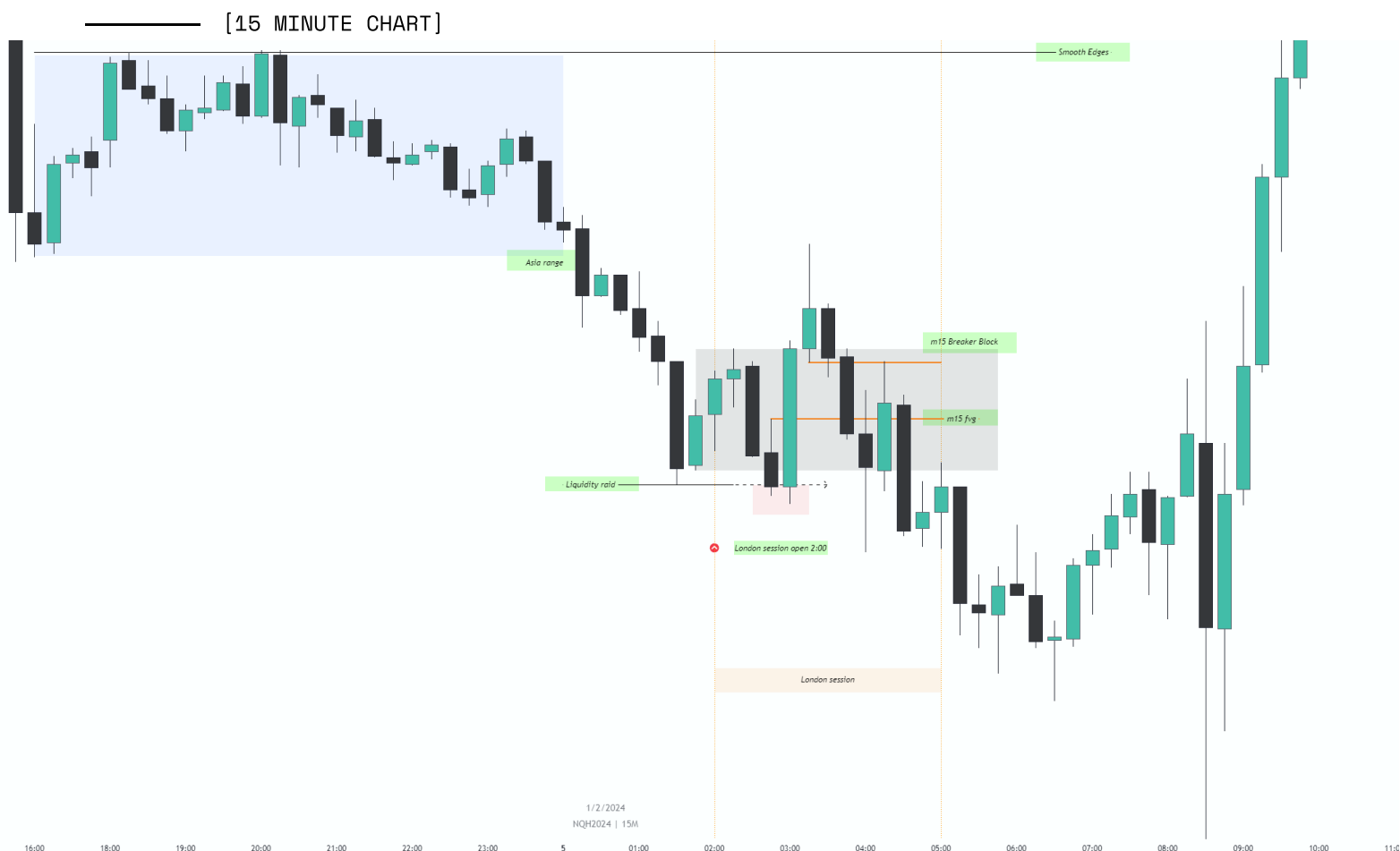


DATE	05/01/2024
PAIR	NQ
SESSION	LONDON
COMPONENTS	[1] SMOOTH EDGES [ASIA RANGE] [2] PRICE MANIPULATION [2:00 MARKET OPEN] [3] BREAKER + DISPLACEMENT + FVG

In this case, we have a failed setup, this time happening during the London session. The idea revolves into the same concepts. Foremost, we had our **[1] smooth edges aligned with the Asia range**; there could be a little doubt in here as the second high took the previous one already, so the first one wasn't intact as we would like to see.

Then, **[2] at market open (2:00 London session)**, we had a move in the opposite direction, taking liquidity.

Once price took liquidity in the opposite direction, we had a **[3] clear displacement aligned with a breaker and a fair value gap** to use as our entry function.



DATE	05/01/2024
PAIR	ES
SESSION	NEW YORK AM
COMPONENTS	<div> [1] SMOOTH EDGES [ASIA RANGE]</div> <div> [2] PRICE MANIPULATION [8:30 NEWS DRIVER]</div> <div> [3] BREAKER + DISPLACEMENT + FVG </div>

As we can see, our first component was created during the **[1] Asia range, leaving Smooth Edges intact.**

In this case, we got news prior to the market opening, so we could use those **[2] news drivers as our manipulation in the opposite direction of our draw**, so that we can clearly see it happening at 8:30, and then keep seeking out the rest of the components to validate our thesis.

After our manipulation, **[3] price displaces through our breaker, leaving us with a fair value gap**, providing us with our entry function.

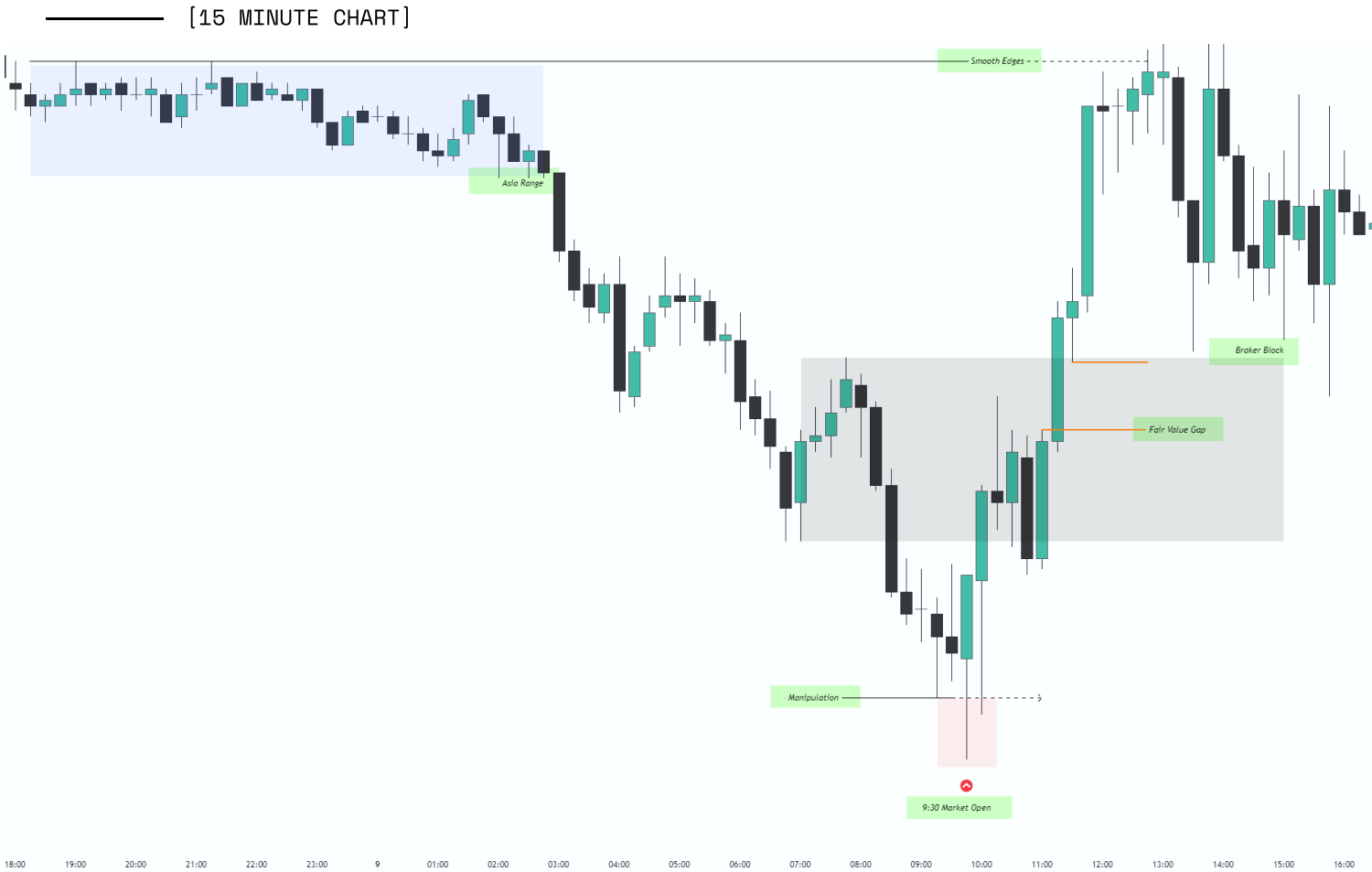


DATE	09/01/2024
PAIR	ES
SESSION	NEW YORK AM
COMPONENTS	<div> <div>[1] SMOOTH EDGES [ASIA RANGE]</div> <div>[2] LIQUIDITY TAKEN AT OPEN [9:30 MARKET OPEN]</div> <div>[3] BREAKER + DISPLACEMENT + FVG</div> </div>

We had, as our preferred draw on liquidity, the **[1] Asia Range with Smooth Edges intact**. Note that the idea for a strong, smooth edge is that the first high remains intact.

[2] At market open [9:30] price takes liquidity in the opposite direction of our draw on liquidity.

As we would want, then price reacts in our favor, **[3] displacing through a m15 breaker block, leaving a beautifully aligned fair value gap** for us to execute our entry function, preferably on a lower timeframe as price ran quickly to our draw on liquidity.



DATE	16/01/2024
PAIR	NQ
SESSION	NEW YORK AM
COMPONENTS	<div> [1] SMOOTH EDGES [PREVIOUS DAY NY SESSION RANGE]</div> <div> [2] LIQUIDITY TAKEN AT OPEN [9:30 MARKET OPEN]</div> <div> [3] BREAKER + DISPLACEMENT + FVG </div>

Sometimes it is easier to spot the function and all the components, in this case it is not as clear as other examples, but it all starts with our **[1] Smooth Edges, originated on the previous day NY session.**

In this case, price started to deliver to our DOL before the session started at 9:30, but **[2] at market open, we get price manipulation in the opposite direction of our draw on liquidity.**

When we see a price rally after our manipulation, it's a good indicator in our favor, and then we seek for our last components, **[3] displacement through a breaker + fair value gap**, as we can see also happening in this example.

[5 MINUTE CHART]



DATE	17/01/2024
PAIR	CL
SESSION	NEW YORK AM
COMPONENTS	<div> <div>[1] SMOOTH EDGES [LONDON SESSION HIGH]</div> <div>[2] HIGH TIMEFRAME POINT OF INTEREST [1H SSL]</div> <div>[3] PRICE MANIPULATION [8:30 NEWS DRIVER]</div> <div>[4] BREAKER + DISPLACEMENT + FVG</div> </div>

Another example where it all starts with the [1] Asia Range, leaving Smooth Edges intact for us to use as our draw on liquidity.

Additionally, we added one more component as confluence to our thesis, [2] 1H SSL, where price took liquidity and was reacting to this level according to our idea.

In this case, we had a [3] news driver at 8:30 to see if the price generated a manipulative move in the opposite direction of our draw on liquidity.

Once price took liquidity, it started moving to the upside, and like it happens over and over, [4] price displaced through a breaker, leaving a fair value gap inside it for us to use to position ourselves.

[5 MINUTE CHART]



DATE	19/01/2024
PAIR	CL
SESSION	NEW YORK AM
COMPONENTS	<div> <div>[1] SMOOTH EDGES [LONDON SESSION HIGH]</div> <div>[2] HIGH TIMEFRAME POINT OF INTEREST [FVG]</div> <div>[3] LIQUIDITY TAKEN AT OPEN [9:30 MARKET OPEN]</div> <div>[4] BREAKER + DISPLACEMENT + FVG</div> </div>

In this case, probably the model wasn't as visual as many other examples; the lower the timeframe, the harder it can be to spot it, at least for my taste. We had **[1] intact Smooth edges in conjunction with London Session High as our draw on liquidity.**

Also, we added a new component to support our thesis: a **[2] high-timeframe point of interest in the form of a 4H fair value gap**; price reacting to it accordingly was aligned with our view of price delivery to our draw on liquidity.

At around 9:30 market open, price was already moving towards our DOL, then we got our key component; **[3] price took liquidity in the opposite direction minutes after market open**, then resumed the move up.

Along the move after manipulation, **[4] price displaced through our breaker, leaving, as usual, a fair value gap, creating our entry function** to take a small trade.



